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### STEWART, MITTLEMAN, HEGGIE & HENRY L.L.C.

ATTORNEYS AT LAW

### December 10, 2008

Thomasenia P. Duncan, Esquire General Counsel Federal Election Commission 999 E. Street, N.W. Washington, DC 20463 TE COLL COLLEGION

CLEIC CONTROL

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Re: MUR 6699; Page For Missouri and Barbara Hoffman, Treasurer

Dear Ms. Duncan:

This letter is submitted on behalf of our clients, Page For Missouri (the "Committee) and Barbara Hoffman, Treasurer, in reply to the complaint filed in MUR 6099. The Committee and Ms. Hoffman respectfully request that the Commission find no reason to believe that any violation of the Federal Election Campaign Act of 1971 or of the Commission's regulations has occurred and that this matter be closed.

The complaint is based on the Committee's receipt of a contribution from Ergosafe Products, LLC, a Delaware Corporation, during the 2008 race for Lieutenant Governor of Missouri. The Committee received on October 4, 2008, a check for Ten Thousand Dollars (\$ 10,000.00) from Ergosafe Products, L.L.C. ("Ergosafe"), styled in the brand name of "Waverly Glen, A Prism Medical Company". The complaint is based on an argument that the United States corporation that was the source of the legal contribution should be considered a foreign national because the corporation's United States revenues for 2007 were no more than Three Million Dollars. Complaint Paragraph 19. The complaint alleges, without factual support, that Waverly Glen is a foreign national, within the meaning 22 U.S.C. § 611(b) and that the Committee accepted the contribution knowing that Waverly Glen is a foreign national.

All of these critical allegations are false. As set out below, the Committee, through its personal knowledge of Ergosafe and its President, Charley Wallace, knew that the contribution was not from a foreign national and that it was a legal contribution under federal and state law. The Committee's further investigation into the facts of this matter show that it did not and could not have knowingly accepted a contribution from a foreign national.

Allan F. Stewart\*††
Mark D. Mittleman
Robert M. Heggle\*
Deborah C. M. Henry
Erica Leisenring
Elizabeth A. Schneider
Harold V. O'Rourke

or course. Joseph R. Niemann

### A. The Committee Knew the Contribution Was Legal

The Committee had previously received an individual contribution from Charley Wallace, the President of Ergosafe. The Committee's call sheet, attached as Exhibit 1, for Charley Wallace indicates the his business was Prism Medical Ltd. Mr. Wallace's affidavit, attached as Exhibit 2 and previously filed with the Commission, acknowledge that Mr. Wallace is the President of Ergosafe and records from the Delaware Division of Corporations, attached as Exhibit 3 indicate that Ergosafe is a Delaware Corporation. Missouri Secretary of State records, attached as Exhibit 4, indicate that Ergosafe operates in Missouri under a fictitious name registration as Prism Medical Services USA.

Sam Page, candidate for Missouri Lieutenant Governor, affidavit attached as Exhibit 5, knew that Charley Wallace was the President of Ergosafe and Prism Medical Systems and knew, from Mr. Wallace's personal contribution to his campaign, that the check from Waverly Glen, A Prism Medical Company was not from a foreign national.

The complaint asserts that Sam Page, not the Committee or Hoffman, knowingly accepted the contribution in violation of 2 U.S.C. § 441e. The Commission's regulation defines "knowingly" as:

- (i) Have actual knowledge that the source of the funds solicited, accepted, or received is a foreign national;
- (ii) Be aware of facts that would lead a reasonable person to conclude that there is a substantial probability that the source of funds solicited, accepted or received is a foreign national; or (emphasis added)
- (iii) Be aware of facts that would lead a reasonable person to inquire about whether the source of the fund solicited, accepted or received is a foreign national, but the person failed to conduct a reasonable inquiry.

#### 11 CFR 110.20(a)(4).

Clearly Sam Page's conduct does not meet the Commission's definition in that, under all prongs of the test, he knew that the source of the funds was not from a foreign national. He knew that his previous contributor, a Missouri business owner, had given the Committee another contribution drawn on a United States Bank in the brand name of a United States Company. The Committee's call sheet indicates that Prism Medical Ltd. had a Missouri address. See Exhibit 1.

After Sam Page's opponent and the candidate supported by the complainant in this case, raised concerns about the source of the contribution, Page directed his staff to further review the matter. He requested a copy of the check from the committee bank on October 17, 2008. See Exhibit 5. His staff spoke to Mr. Wallace and was assured that the contribution was not from a foreign national, but in fact came from Ergosafe. See Page Affidavit Exhibit 6.

Page's conduct does not meet the Commission's definition of "knowingly" because he thoroughly investigated the source of the contribution and knew in fact that the contribution came from



a Missouri corporation. As set out below it is abundantly clear that contribution was not from a foreign national in violation of 2 U.S.C. § 441(e).

### B. The Contribution Was Not From A Foreign National

As set out in the affidavit of Charley Wallace, Exhibit 2, the check came from an account owned and controlled by Ergosafe. Ergosafe is a Delaware Corporation that operates in Missouri under the name of Prism Medical Services USA. See Exhibits 3 and 4. As President of Ergosafe, Charley Wallace directed the check, shown as Exhibit 5 to be made from Ergosafe's account HSBC Bank be made to the Committee in the amount of \$ 10,000.00. It is abundantly clear that the contribution was not from a foreign national.

Under Commission regulations and 22 U.S.C. 611(b) a foreign national is a corporation that is either organized under the laws of another country or has its principal place of business in a foreign country. Ergosafe is organized in Delaware and it operates in Missouri, the home of its president Charley Wallace. It is not a foreign national.

Perhaps acknowledging these facts, the complainant urges the Commission to go further afield and require committees to examine the financial records and business plans of their donors. Complaint Paragraphs 12, 13, 14 and 25. Complainant alleges that since the United States corporation's revenues were less than Three Million Canadian Dollars that the true source of the corporation is in serious doubt. While, ignoring the First Amendment rights of the United States corporation, complainant then merely states that the United States corporation must be a Canadian corporation because it does business in other countries and operates in Canada. This subjective analysis ignores both the facts and the law.

#### C. Conclusion

The Committee and Barbara Hoffman have shown convincingly that neither of the two crucial allegations of the complaint have merit. Since the contribution was not from a foreign national and the committee did not knowingly accept a contribution from a foreign national the complaint is without any merit.

For the reasons set out above, the Committee and Barbara Hoffman, treasurer, respectfully request that the Commission find no reason to believe that any violation of the Act or of the Commission's regulations have occurred and close this matter.

Respectfully submitted,

Robert M. Heggie

Enclosure





# State of Delaware

The Official Website for the First State



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EXHBIT 3



## State of Missouri Robin Carnahan, Secretary of State

File Number: 200018500776 X00000070 Date Flied: 06/02/2006 Expiration Date: 06/03/2013 Robin Carnetian lecretary of State

TO MAKE A

## **Registration of Fictitious Name**

This fictitious name filing shall expire 5 years from the date filed unless a renewal filing is submitted within 6 months prior to the expiration date.

This information is for the use of the public and gives no protection to the name being registered. There is no provision in this Chapter to keep another person or business entity from adopting and using the same name. (Chapter 417, RSMo)

The undersigned is doing business under the following name, and at the following address:

Business name to be registered: PRISM MEDICAL SERVICES USA

**Business address:** 

2351 GRISSOM DRIVE

City, State and Zip Code:

**ST. LOUIS MO 63146** 

If all parties are jointly and severally liable, percentage of ownership need not be listed.

Name of Owners,	*			Percentage of
Individual or				ownership must
Duiness Entity	Street and Number	City and State	Zip Code	equal 190%
ENGOSAFE PRODUCTS, LL	C 2351 GRIBSOM BRIVE	ST. LOUIS MO	63148	100%

In Affirmation thereof, the facts stated above are true;

(The undersigned understands that files statements under in this filing are subject to the penalties of a files declaration under Section 575.060, R534b)

**MILLS ATKINSON** Other **Authorized Stenature** (Authorized Party Relationship)

EXHIBIT